

**Deloitte.**



**ZAO Deloitte & Touche CIS**

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# About Deloitte

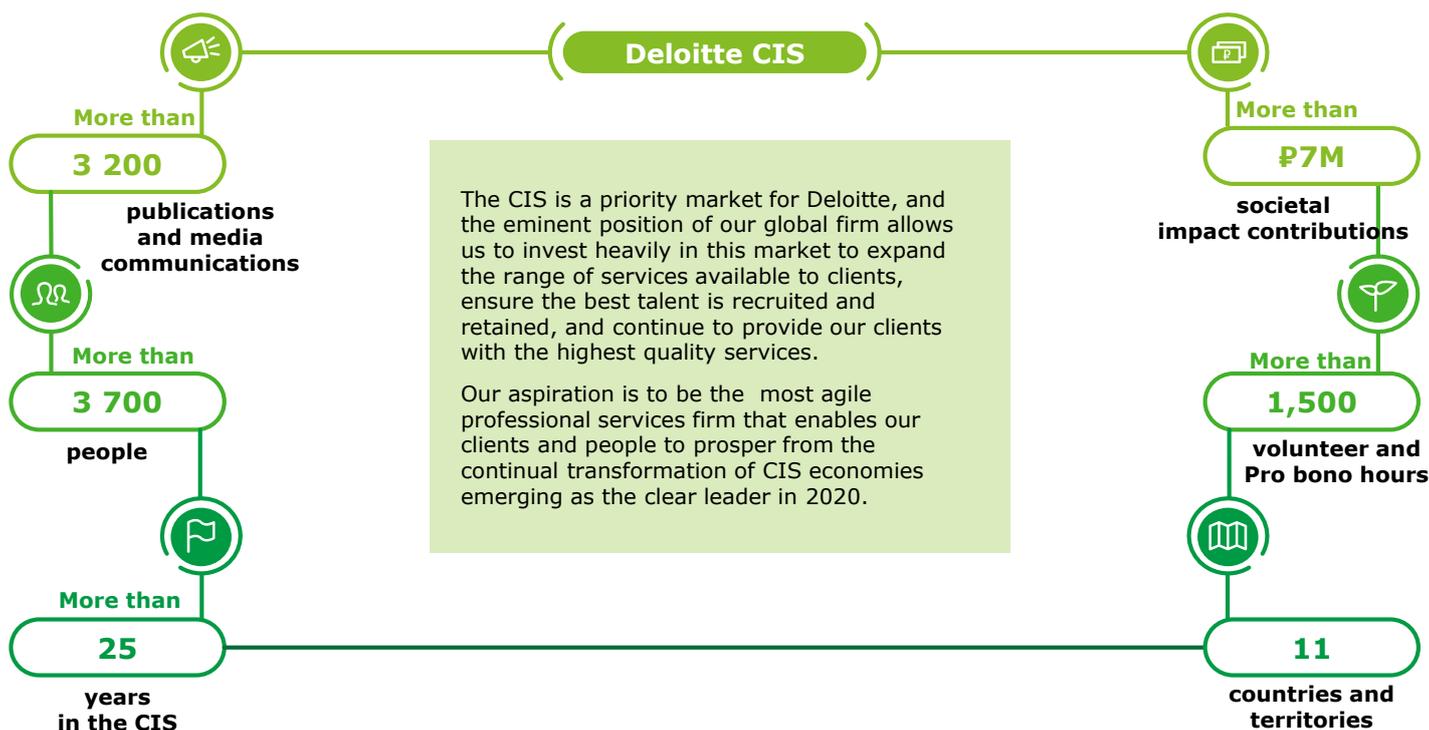
Deloitte has more than 263,900 professionals at member firms delivering services in audit, tax, consulting, financial advisory, risk advisory, and related services in more than 150 countries and territories. Over the previous year, Deloitte member firms served over 82% of the Global Fortune 500 companies. The firm has maintained a leading position in the professional services market thanks to a combination of organic growth, strategic acquisitions, a focus on high quality and large-scale investment in priority and emerging markets.

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With global revenue of USD **38.8 billion** for the **2017** financial year, Deloitte remained the **largest professional services** firm in the world

## Prizes and awards

- Named a top employer globally through awards such as **LinkedIn's Top Employers** in 2017.
- Named in Times **Top 50 Employers for Women** 2017 list.
- Received **seven Management Consultancies Association Awards** 2016.
- Received a 2017 SAP® Pinnacle Award as the **SAP S/4HANA Adoption Partner of the Year.**
- Named a leader in **Business Technology Transformation** by Forrester Inc.
- Named a global leader in **Business Analytics Services** by Gartner.
- Named a global leader in **Cyber Security Consulting** by Kennedy.
- Named a leader in **Global-Risk Management Consulting** Services by Gartner.



Deloitte began operating in the CIS in 1990. ZAO Deloitte & Touche CIS was registered on 30 October 1992. Since then, the company has grown, and as of May 2018 more than 3,700 specialists work in our departments across Russia and CIS countries.

Russia is a priority market for Deloitte, and the leading position of our firm on the international stage gives us the opportunity to invest in this market and thus to expand the range of services provided to clients, recruit and retain the highest qualified specialists and provide our clients with services that correspond to the highest standards of quality.

More than 25 years, we have completed a number of projects adapting international practices to the Russian environment, and accumulated solid experience of serving local clients. Our understanding of the specific nature of the Russian market, combined with the successful experience of a leading global firm, enable us to apply our unique knowledge and methodologies when working with clients. Our local and international professionals working together make it possible for us to take into account the unique local environment while providing the quality of services that meets the highest international standards.

# Our audit approach

The firm's audit approach includes requirements and guidance to assist in the planning and performance of audit engagements and is based on the International Standards on Auditing and PCAOB standards. The firm has further supplemented these requirements and guidance to reflect local requirements as applicable. Common documentation and enabling software technology are tools that enhance the consistency with which the firm's audit approach is implemented and promote both effectiveness and efficiency.

The following are the main elements of the firm's audit approach:



## Understanding of the entity and its environment

An understanding of the entity and its environment, including its internal controls, is vital to performing an effective audit, as it enables the engagement team to assess the risks of material misstatement at the financial statement and assertion level. Understanding and assessing the risks of material misstatements include analysing financial information to identify trends and unusual balances, holding in-depth discussions with management and those in charge of governance, considering the inherent nature of each component of the financial statements and the associated risks, evaluating the design of relevant internal controls and determining if they have been implemented, assessing the extent to which technology is used in the financial reporting process, and, if applicable, reviewing the findings of internal audit inspections. Where necessary, based on the nature of the entity's information systems and the extent to which technology plays a role in the transaction processing and financial reporting processes, IT specialists may be involved in the audit engagement.



## Audit procedures

The engagement team develops an audit plan to address the risks associated with the entity, the audit engagement and financial reporting as a whole. Throughout an audit, the engagement team continually assesses risk and the effects of their findings on audit procedures. The firm's audit approach allows partners and professional staff to modify audit procedures to address issues that arise during the course of an audit. Audit procedures to address risks of material misstatement include substantive procedures; these comprise tests of details and substantive analytical procedures, and tests of the operating effectiveness of controls.



## Use of experts

While the audit engagement partner retains responsibility for all aspects of an engagement, there are instances when an engagement team utilises an expert. In these instances, the engagement team must first evaluate whether or not the expert has the necessary competencies, capabilities and objectivity.

In evaluating whether an expert's work constitutes appropriate audit evidence in support of financial information, the engagement team considers:

- The source data used;
- The assumptions and methods used and, if appropriate, their consistency with those used in the prior period;
- The results of the expert's work in light of the engagement team's overall knowledge of the business and the results of its audit procedures.



## Engagement quality control reviews

An engagement quality control review is performed for all audit and related assurance services. The review is performed by a partner or director who is not directly involved in the engagement and who has the appropriate experience and knowledge about the applicable accounting and auditing standards and regulations. The engagement quality control reviewer is not part of the engagement team and is not portrayed, in fact or appearance, as a member of the engagement team. Appropriate experience and knowledge includes experience and knowledge of the entity's industry, economic environment and accounting principles. For all public interest entities and high-risk engagements, the review is performed by a partner with sufficient and appropriate experience and professional qualifications to act as an engagement partner on the particular type of audit.

The reviewer receives an appropriate briefing from the engagement team and conducts the review in such a manner so as to obtain sufficient knowledge and understanding in order to reach a valid and well-founded conclusion. The reviewer's responsibilities are: to perform an objective review of significant auditing, accounting, and financial reporting matters; to document the procedures he/she performs; and to conclude, based on all the relevant facts and circumstances of which he/she is aware, that no matters that have come to his/her attention would cause him/her to suspect that the significant judgments made and conclusions reached were inappropriate, given the circumstances.



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